

# PORT AUTHORITY OF WINONA MINUTES

**DATE:** February 15, 2018

**PRESENT:** Commissioners Cichanowski, Johnson, Borzyskowski, Thurley, Lucas, Hansen, and Executive Secretary Sarvi

**ABSENT:** Commissioner Gorman

**STAFF PRESENT:** Director of Community Development McMartin, Finance Director Burrichter, and Development Coordinator White

## **1. CALL TO ORDER – APPROVAL OF MINUTES**

The meeting was called to order at 4:00 PM by President Cichanowski. A motion was made by Commissioner Borzyskowski, and seconded by Commissioner Thurley to approve the December 14, 2017 minutes. The motion carried with all Commissioners present voting aye.

## **2. REMARKS BY PRESIDENT**

President Cichanowski had no remarks.

## **3. PUBLIC HEARING**

### **A. Public Hearing for Lease/Option of Parking at 167 East Second Street**

Director of Community Development McMartin provided an overview of the 102 Walnut project which included a request for Tax Increment Financing (approved), a Port Loan (agenda item) and a request for parking accommodations on Port-owned property located at 167 East 2<sup>nd</sup> Street. Ms. McMartin indicated that the agreement provided a yearly lease for up to 3 years with an option to purchase the property at a cost of \$95,300. She indicated that past developments that have included this level of investment have often included some type of accommodation for parking.

President Cichanowski opened the public hearing.

Peter Shortridge, partner in the 102 Walnut Winona LLC, commented that the project was moving toward construction and parking was a critical component of the project.

President Cichanowski made 3 requests calling for additional comments. Hearing none, Commissioner Hansen made a motion to approve the Lease Option for the 167 East 2<sup>nd</sup> Street property. The motion was seconded by Commissioner Johnson with all Commissioners present voting aye.

## **4. NEW BUSINESS**

### **A. 102 Walnut LLC Loan Request**

Development Coordinator White provided an overview of the loan request of \$150,000 made by 102 Walnut Winona LLC. Mr. White reported that the Federal Revolving Loan Fund had a current cash balance of \$350,000 while the State Fund had a balance of \$339,000. Mr. White also indicated that

\$250,000 of the State funds were to be earmarked for a special exemption that had been discussed in a previous Port meeting. Given that information, it was suggested that if the loan were to be considered it would come out of Federal Revolving Loan Funds.

Commissioner Borzyskowski made a motion to approve the loan with the contingency that the loan could be made with Federal Funds. The motion was seconded by Commissioner Thurley with all Commissioners present voting aye.

**B. Request for Letter**

Director of Community Development McMartin reported she had received a request from the Port Authority of Austin to support a change in legislation to allow approval of Port-owned property to be made with a simple majority of the Port Authority rather than the current required 2/3 vote.

Commissioner Johnson asked if other operating Ports (St. Paul, Duluth and Red Wing) had expressed support for the request from Austin.

Commissioner Lucas made a motion to support the consensus of the Minnesota Ports Association and to be included in the signature of any forthcoming Ports Association letter. The motion was seconded by Commissioner Hansen with all Commissioners present voting aye.

**C. Update on Creative/Co-work Space Loan**

Development Coordinator White reported as a follow-up to the December Port Authority meeting that a LLC had been formed to receive the loan that had been approved by the Port Authority. He anticipated the project would move forward shortly.

**5. FINANCIAL REPORT**

City Finance Director Burrichter provided information on the County .05 cent sales tax and reported that monthly reports appear to be within budget.

**6. CLOSED SESSION**

President Cichanowski asked for a motion to go into Closed Session pursuant to Minn. Stat. 13D.05, subd.3(c) to develop or consider offers or counteroffers for the sale of real property located at 128 West 5<sup>th</sup> Street, 201 Main Street and 127 West 4<sup>th</sup> Street. A motion was made by Commissioner Borzyskowski and seconded by Commissioner Hansen to enter into closed session with all Commissioners present voting aye.

At the conclusion of the closed session Commissioner Johnson made a motion to direct staff to pursue establishing a hearing and options and terms for the sale of the block of 100 West Fifth Street and bring the same back to the Port at a future date for consideration. The motion was seconded by Commissioner Lucas with all Commissioners present voting aye.

7. ADJOURNMENT

A motion to adjourn was made by Commissioner Borzyskowski and seconded by Commissioner Johnson. The meeting was adjourned at 4:58 pm.



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Myron White  
Development Coordinator



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Mike Cichanowski  
President